

Community Development Block Grants at the Federal Level

Congress makes allocation to the CDBG program during the budget cycle.

Distribution Formula: These funds are distributed by formula to the entitlement jurisdictions throughout the United States. The formula recently changed and it resulted in Renton getting an 18% increase in funding.

National Objectives

CDBG projects must meet one of three national objectives:

- *Activities benefiting low and moderate-income persons*
- *Activities that aid in the prevention or elimination of slums or blight*
- *Meeting other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health and welfare of the community and other financial resources are not available to meet such needs.*

Benefit Low and Moderate Income Persons:

Federal regulations require that at least 70% of CDBG funds be used for projects that benefit low and moderate-income persons.

Community Development Block Grants at the local level

King County annually receives Community Development Block Grant (CDBG) funds from the United States Department of Housing and Urban Development (HUD). In 2011, this was approximately \$5,431,000. The primary objective of the CDBG Program as set forth by Congress is “the development of viable urban communities, by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate-income.” Federal regulations define persons who are low and moderate-income as households earning less than 80% of the area median income, as determined by HUD, adjusted by household size. King County administers CDBG funds on behalf of the King County Consortium.

Consortium Funding Priorities

The King County Consortium’s “Consolidated Plan” guides the investment of housing and community development funds in King County, outside of Seattle. There are three goal areas. Renton’s CDBG funds must also be allocated to programs that meet one of these priorities.

Ensure decent, affordable housing

End homelessness

Establish and maintain a suitable living environment and economic opportunities for low and moderate-income persons.

CDBG Capital Funds

Use of Funds: Capital funds may be used for acquisition of property or buildings, public facilities and improvements, homeownership assistance, rehabilitation, code enforcement, historic preservation, renovation of closed buildings, and lead-based paint testing and abatement.

Amount of Funding:

After Planning and Administration, and Public Service allocations, the remaining balance goes to Capital.

Length of Funding: Currently, King County, Auburn, Bellevue, Kent, Federal Way, Shoreline and Renton allocate Capital funds annually.